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FOREIGN NEWS ON CITRUS FRUIT

THE GRAPEFRUIT MARKET IN EUROPE.

American exporters of grapefruit interested in expanding the European market for that commodity must bear in mind four essential points. First, the acquaintance of the British people with grapefruit is at about the same stage as was that of Americans in 1895. Consumers in Continental Europe are even less familiar with the fruit. Secondly, there is a widespread belief all over Europe that it is a luxury fruit, too expensive to appear in ordinary homes. Retail prices frequently seen justify this belief when the buying power of the people of Europe is taken into consideration. Thirdly, the present distribution of grapefruit in Europe is in a very embryonic state. London is the center but trade has not developed to the point where much direction of distribution is apparent. This does not mean that distribution is not widespread, as fruit from Florida is to be found in all the countries of northwestern Europe. Fourthly, the grapefruit industry in the United States must invest money freely in exploiting European markets if the use of the fruit is to reach a stage that will call for volume. This money must be spent in placing the fruit before the people and teaching them its uses.

There have been no recent observations that would change earlier recommendations made by the Department of Agriculture in its report CF-3, March 12. The recommendations made at that time were for Great Britain but they apply to the Continent of Europe as well as to Great Britain. These recommendations were as follows:

1st. Regular supplies of good quality grapefruit (with some identification on the fruit itself to indicate its source), to be sold at not over $4.75 delivered in Europe.

2nd. The placing of supplies in the hands of fruit wholesalers in every market according to their requirements.

3rd. The carrying to consumers of educational measures with regard to the desirable qualities of the fruit and its preparation for use.

Growing Demand in Great Britain.

The past winter has witnessed a remarkable growth in the popularity of the fruit in England and Scotland. Although London is the center of grapefruit distribution in Europe, direct shipments are coming to Glasgow and Liverpool. It is of interest to note that while Glasgow speaks of its market being swamped with a fortnightly shipment of 4,000 cases, Berlin speaks of being swamped by 500 cases. From this it may be gathered that

European cities still speak of the fruit in terms of scores and hundreds and until consumption is expanded, large direct shipments from Florida are out of the question, unless such shipments can be made in conjunction with some other cargo that will conveniently go to make up paying tonnage.

The wholesale trade in cities like Manchester and Birmingham state that three years ago only the fancy fruiterers in the better shopping districts were customers for grapefruit, while the small green-grocers scouted the idea of their buying this strange fruit. During the past winter these unpretentious merchants have been putting a case of grapefruit in their barrows or Fords and taking them to their shops. The city and suburban residents who experimented at the fancy fruiterers have of late been asking their neighborhood green-grocer for grapefruit and he is stocking and selling it.

This is a slow process, however, and in districts like Sheffield and Newcastle-on-Tyne, where the coal, iron, steel and shipbuilding industries have been in desperate straits since 1920, where payrolls are short and the dole is the slim means of sustenance for hundreds of thousands, little or no progress is to be seen in the growth of grapefruit demand and its immediate future is not bright.

Interviews this spring (1925) resulted in a surprisingly larger number showing preference for Florida grapefruit than was the case last autumn. Most interviews at that time developed little enthusiasm about regional preferences, although some prejudice was found against South African fruit, with favor leaning toward the Isle of Pines. The growing preference for Florida fruit is unquestionably the effect of some very fine fruit coming from Florida during the past winter. Florida shippers should note that although the remote consumer comes to learn that a russet fruit has good qualities, the trade preference still stands strongly in favor of brights, and sizes most popular are 80's and 96's.

Arizona Grapefruit Complimented.

Dealers in Glasgow have used flattering terms toward some fruit received from Arizona. Its sweetness and freedom from seeds distinguished it in the minds of the users.

Retail Prices High.

Notwithstanding the fact that in Great Britain the retailer can buy grapefruit for from $5.00 to $7.00 per case the most popular prices are 6d. (12¢) each for 80's and 8d. (16¢) each for 64's. This gives the retailer a margin of from $3.00 to $4.00 per case. In rare cases one sees 95's and 80's sold for 4d. (8¢) and 5d. (10¢) each.

The highest retail prices observed were those in an otherwise progressive chain store in Stockholm, Sweden. Here 1.25 kroner each were charged for 64 size Florida grapefruit. At the then current rate of exchange this was equivalent to 35 cents each. The fact that Sweden imposes an import duty amounting to about $2.00 per case scarcely justifies this price.

Continental Europe Looks to London for Supplies.

A review of investigations as to grapefruit demands in Continental cities covered to date would be a repetition of negatives - "no present demands, and no prospects". However, those who have witnessed the steady march of this fruit into American homes during the past 30 years and who are now watching its progress in Great Britain would view this pessimism with a grain of salt.

In Rotterdam and Amsterdam the situation resolves itself into the demand of the Rhineland cities of Germany, since the Dutch people eat sparingly of fancy fruits. Supplies are not kept in Holland, but are ordered from London agents in lots of 25 or 50 cases as needed. No one, therefore, is prompted to encourage distribution.

Cities in central Germany, such as Berlin, are supplied through agents in Hamburg, and to a very limited extent by similar agents in Bremen. Heretofore only the most limited supplies have come direct from New York to Hamburg, brokers ordering from London correspondents in scores at a time. Hamburg brokers, however, who have looked upon American apples for a long time as a source of revenue and are among the most active distributors of Italian and Spanish oranges, have been aware of the possibilities in grapefruit as a new source of income.

A principal of one of the leading Hamburg houses stated that he had canvassed his jobbing clients all over Germany, with the proposal that they carry a modest supply of grapefruit sent to them on consignment, as a measure of introductory exploitation. The feeble response that he received checked his enterprise. The leading house in Bremen has also canvassed Germany on grapefruit possibilities and shows a similar passiveness toward exploitation at present.

Copenhagen, which is representative of Denmark, receives it grapefruit from London in 25 or 50 case lots. This city, having the most striking display of retail fruit stores in Europe, should hold possibilities for the future use of grapefruit. There is a splendid fruit consumption among the people, but with no one pushing grapefruit and with only 50-case orders entering a city of 750,000 people, progress is bound to be slow.

While grapefruit is seen in the display of the fancy fruiterers in Gothenburg, Stockholm, Oslo and Bergen, the chief cities of Norway and Sweden, expressions of the trade as to the possibilities for greater demand bore a monotonous similarity to those given above. In Oslo one enterprising merchant imported grapefruit knives from New York and displayed them with his grapefruit in an endeavor to educate his customers to its proper use. His comments on the progress made were not at all reassuring.

The investigator would soon be discouraged with the possibilities of grapefruit outlets in northern European countries were it not for conditions as observed in such British cities as London, Manchester, Birmingham, Liverpool and Glasgow. Dealers there are astounded at the rapid manner in which the people are taking up this new fruit. Statements are freely made that the demand during the past winter has been vastly greater than the winter of 1923-24.

Grapefruit Industry Missing Advertising Opportunities.

While a few British fruit distributors are advertising the brand of grapefruit that they handle by posters and daily papers, grapefruit advertising is not receiving the attention that it should in Great Britain. The Fruit Trades Federation, however, is spending approximately $150,000 annually in its "Eat more Fruit" campaign. Indirectly this is helping grapefruit consumption. The campaign includes window displays, posters, etc., featuring oranges, apples, bananas and other fruits that contribute to the campaign funds. Since contributions are on the basis of one cent per package on all fruits imported, the present contributions from grapefruit receipts are not great enough to justify special posters and window strips for this fruit.

If the American grapefruit industry could arrange for a special fund the publicity office of the Fruit Trades Federation could administer the money in a manner that would be most effective in stimulating the eating of more grapefruit. In addition to its general publicity this Federation is doing an exceptionally good piece of work in cooperation with the retailers of Great Britain. A great opportunity is lost as long as its full influence is not utilized by American shippers.

In connection with its studies on foreign demand and competition in fruits and vegetables the Department of Agriculture has under preparation reports on European markets that will be of use to grapefruit growers and shippers in planning their foreign marketing operations.

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